



JOBS THROUGH RECYCLING



For more information, visit the EPA
Region 10 Web site at
[http://www.epa.gov/r10earth/offices/
owcm/jtr94or.htm](http://www.epa.gov/r10earth/offices/owcm/jtr94or.htm).

JTR Grantee Series Oregon

Prior to the Jobs Through Recycling (JTR) grant, limited recycling market development activity existed at the Oregon Economic Development Department (OEDD) or at the Oregon Department of Environmental Quality (DEQ). Metro, the Portland-area regional government, initiated recycling market development activities in 1991.

The overall goal for the Recycling Economic Development Advocate (REDA) was to increase the ability of Oregon businesses, communities, and tribes to foster recycling and reuse businesses. These businesses would utilize recyclable and reusable materials that would otherwise be incinerated or landfilled. In addition, the businesses would stimulate economic development and create jobs. To achieve these goals, the REDA established four objectives:

- Facilitate the development of intermediate processing and end-use manufacturing capacities to meet the supply of reusable and recyclable materials generated.
- Coordinate and integrate state and tribal activities for recycling and reuse market development with state/tribal activities for business development, economic growth, and job creation.
- Develop partnerships with industry to take advantage of industry networks for major secondary materials.
- Provide financial, technical, and business development assistance to businesses to maximize value from secondary materials.

PROGRAM ACTIVITIES

The REDA's primary role was to facilitate market development through direct assistance to businesses. Business planning was a major focus of the REDA program in Oregon, and the grantee was most successful in providing direction to companies in their strategic planning and marketing. The grantee also focused efforts on expanded and improved recycling collection and transportation issues.

At a Glance

Grant Type: REDA

Office Awarded:
Oregon Economic
Development Department

Project Partners:
Metro, Oregon Recycling
Market Development Council

Year Awarded: 1994

Funding:
\$ 74,000 in EPA funding
\$ 56,000 in state/local
funding

\$130,000 in total funding

Materials Targeted:
Plastic Glass
Tires Waste paper
Multimaterial

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In March 1996, the REDA helped coordinate the Oregon Recycling Market Development Summit, bringing together haulers, processors, manufacturers, nonprofits, and governmental agencies

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involved in recycling for a 1-day work session. The purpose of the summit was to evaluate the status of recycling market development in the state and to make recommendations for future efforts.

CHALLENGES OVERCOME

The REDA overcame a major challenge of meeting the volume of business requests during the grant period. The demand for one-on-one business assistance was higher than originally anticipated and began within the first week of the project. OEDD highly valued responsiveness and customer service. In order to meet customer needs, the program had to devote more time to individual businesses. Consequently, some of the outreach materials called for in the workplan could not be developed. Prior to development, the REDA assessed the value of each material and the availability of similar documents. In some cases, the REDA could substitute existing materials from one or more of the project partners for newly created docu-

ments. For example, rather than developing a catalogue of collection programs, the REDA used existing collection program information from DEQ and other organizations and provided customers direct access (to collection service providers) on a case-by-case basis.

LESSONS LEARNED

This project yielded a number of useful lessons that may result in better planning and results for others, including new JTR grantees:

- **Keep yourself focused when working with limited resources.** The grantee concentrated efforts on one-on-one direct business assistance in order to maximize resources.
- **Begin planning early to obtain funding after the 18-month grant period.** Be aware of larger political and organizational dynamics in the state that will affect future funding, and be creative in addressing them. This may involve organizing a market development summit or other means to develop a strategic plan for continuing the program. Also, look to nongovernmental sources of funding.
- **Remember that business recruitment is a long-term process.** The REDA provided a full range of assistance to Unocal, which planned to build an oil re-refinery in Oregon. Key accomplishments include helping the company to obtain environmental permits and secure bond financing. According to Unocal, the company would have spent \$50,000 to \$60,000, or \$85 per hour, on outside consulting fees without the assistance of the REDA. To date, Unocal has selected an appropriate technology

and has completed the site engineering work, but has not yet built the facility. Thus, grantees need to keep in mind that business recruitment can take several years.

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ACCOMPLISHMENTS

The REDA assisted businesses in the creation of more than 70 jobs and a capital investment of nearly \$82 million. The assistance also resulted in 82,000 tons of new capacity. The REDA augmented the credibility of end-use manufacturing of recyclables in the state, where most attention had been focused on recycling collection. Of the major projects undertaken by the REDA, 13 have reached the point of project commitment and/or implementation. The businesses implementing these projects recover, recycle, or manufacture products containing used paper, plastic, tires, wood, or multiple materials. Results from these projects include the following:

- **A material recovery facility,** with assistance from the REDA and OEDD, obtained a \$4-million industrial development revenue bond to construct a new solid waste recovery facility. This facility will create 18 new jobs and have the capacity to process 45,000 tons of materials for recycling annually.

■ **A small, out-of-state plastic recycler** is relocating and expanding its business in Oregon. The company is investing \$3 million and will provide five new jobs. The REDA facilitated the siting of a new facility and assisted the company in applying for tax credits. The company has a growing supply and customer base, as well as extensive plastic recycling and engineering experience.

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■ **A small tire recycling company** developed a building material product manufactured from old tires and sought assistance in implementing its simple, low-cost process. Through the REDA, OEDD provided services related to siting, financing, and business plan develop-

ment. The recycler will invest \$150,000 in its new operations, creating four new jobs and 500 tons of capacity. A market for the alternative building material is still needed.

PROGRAM FUTURE

Due to legislative budget pressures, OEDD and DEQ were unable to provide resources to continue the REDA program. OEDD went through a major reorganization during the last 6 months of the REDA project because of pressure from the state legislature.

The agency refocused its core programs, and recycling was not considered a priority area. The term of the REDA program also cross-cut two state legislative sessions, making it difficult to generate legislative support. The REDA program began too late to target legislators during the first session and too early to do so during the second session.

Currently, less than one-quarter full-time equivalent (FTE) staff member is

devoted to recycling market development in DEQ, and there is no FTE in OEDD. The Oregon Recycling Market Development Council has been reauthorized to continue for another 6 years but has not yet secured funding. Although the REDA program did not receive continued funding, there is still

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potential for a formal market development effort at the state level. The Recycling Market Development Summit laid the foundation and provided guidance for such an effort, strategizing the roles of state organizations and potential activities. According to the REDA, leadership is needed at the state level to follow through on the success of the summit to establish a long-term program.

RESULTS

FTEs Created:	71 jobs
Amount of Capital Invested:	\$81.7 million
Volume of New Capacity Created:	
Plastic	1,350 tons per year
Tires	1,000 tons per year
Multimaterials	80,000 tons per year
Total:	82,350 tons per year
Volume of Secondary Materials Actually Used:	
Plastic	850 tons per year
Tires	1,000 tons per year
Multimaterials	80,000 tons per year
Total:	81,850 tons per year



Jobs Through Recycling *Success Stories*

"The REDA was a key player on our market development team."

DOUG ANDERSON

Waste Reduction Manager, Metro

The Oregon REDA and Metro, a regional government in the Portland metropolitan area, worked cooperatively to provide targeted business development and financing assistance to recycling entrepreneurs in the state. Metro oversees solid waste and recycling activities in the three counties and 24 cities that comprise the Portland metropolitan area, representing half of the population of Oregon. The Metro and REDA market development programs were similar except that the REDA was operating at the state level.



Metro and the REDA collaborated in providing assistance to a variety of businesses. For example, they worked together with an intermediate processor of foam plastic. This company was seeking financing for its efforts to create a manufacturing feedstock from recovered foam plastic. Together, the REDA and Metro facilitated meetings with the local economic development agency and helped educate economic development officials about the recycling industry. According to Doug Anderson, Waste Reduction Manager at Metro, the joint efforts helped add credibility and legitimacy to the company seeking assistance. This company was eventually awarded a grant from Metro.

Metro and the REDA also worked together to provide financing assistance to E-Z Drain Company, LLC, a subsurface drainage company that uses recovered polystyrene. They reviewed the various financing options available to the company (e.g., grants, loans, and tax credits); the company was eventually awarded a grant from Metro. E-Z Drain is located next to Western Insulation Foam, a company that manufactures polystyrene billets (i.e., blocks of polystyrene). The two companies have developed a mutually beneficial relationship. Western Insulation Foam's foam scraps serve as feedstock to E-Z Drain, creating savings in disposal costs and storage space. Since the two companies are located on the same property, Western Insulation Foam simply drives a loaded forklift directly from the forming line across the storage lot to E-Z Drain's facility, creating a closed-loop system.

Not only did the REDA and Metro assist businesses, they also coordinated efforts to ensure that recycling market development efforts continue into the future. Both organizations assisted in the development of the Oregon Recycling Market Development Summit, which was attended by 110 haulers, processors, manufacturers, nonprofits, and government agencies.

Partners

The Oregon REDA partnered with a number of organizations to promote recycling economic development opportunities:

- **Metro**—Metro is a regional government in the Portland metropolitan area. The REDA and Metro communicated regularly to coordinate market development efforts and refer businesses to one another.
- **DEQ**—DEQ manages regulatory issues related to market development, such as issuing permits and administering a tax credit program. The REDA worked closely with DEQ headquarters and regional staff in response to specific customer requests.
- **Oregon Recycling Market Development Council**—The Council focuses on monitoring and tracking markets for scrap paper, green glass, and plastics, as well as policy and legislative issues. The Oregon REDA participated in the Council's full council, division, and task force meetings.
- **Service Corps of Retired Executives (SCORE)**—SCORE is a small business assistance center. The REDA gave presentations to the two largest SCORE chapters in Oregon and held regular meetings with the SCORE JTR coordinator.